

**IN THE UNITED STATES DISTRICT COURT  
WESTERN DISTRICT OF WISCONSIN**

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MAURICE JEWELL, JR, on behalf of himself  
and others similarly situated,

Civil Action No. 19-cv-247

Plaintiff,

v.

Chief Judge James D. Peterson

HSN, INC.,

Magistrate Judge Stephen L. Crocker

Defendant.

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**DECLARATION OF JOSEPH CANNAVINA**

I, Joseph Cannavina, duly sworn upon oath, state and declare as follows:

1. I am over the age of 18 and make this declaration upon personal knowledge and, if called and sworn as a witness, I could and would competently testify hereto.
2. I make this Declaration in Support of HSN's Motion to Dismiss and Compel Arbitration.
3. HSN is a leading retailer of apparel, home goods, electronics, jewelry and other products.
4. I have been employed by HSN, now part of the Qurate Retail Group, since May 11, 1999. From June 2004 to July 2018, I held the position of Senior Manager of Credit Card Marketing and Operations for HSN. In July 2018, I became the Global Payment Operations Manager for QXH, which is also part of the Qurate Retail Group. I support both HSN and QVC in this role.
5. My duties and responsibilities as Global Payments Operations Manager include managing all functionality (e.g., technical issues, upgrades and promotional offers) of Qurate Retail Group payments programs, including the HSN Card Plan described below. I work closely

with the call centers to ensure proper training and compliance regarding the payments programs, resulting in a better overall customer experience. I also provide data and trend analysis for payments programs, as well as forecasting future performance and reporting on past performance.

### **HSN Card Plan**

6. The HSN / Comenity Card is a private label card that bears the HSN brand and can only be used for purchases at HSN. An individual can only obtain an HSN / Comenity Card if it has created a customer profile with HSN. Accordingly, all HSN / Comenity cardholders are HSN customers.

7. Since 2008, HSN has partnered with Comenity Capital Bank ("Comenity"), formerly known as World Financial Network National Bank, to offer HSN customers the HSN / Comenity Card pursuant to a plan ("HSN Card Plan"). Pursuant to the HSN Card Plan, Comenity pays HSN a royalty percentage on all regular revolving credit sales placed on the HSN / Comenity Card. Comenity also pays HSN a bounty on all new credit card accounts opened and activated (used) within 12 month of open date. HSN and Comenity work together to offer, service, and promote the HSN / Comenity Card and the HSN Card Plan.

8. Under the HSN Card Plan, both HSN and Comenity own rights to information about customers/cardholders. It is critical to the operation of the HSN Card Plan that HSN and Comenity share information regarding customers/cardholders and their use of the HSN / Comenity Card. For example:

- a. HSN shares with Comenity the details of every HSN transaction made with an HSN / Comenity Card. This information is shared on a daily basis. Comenity then uses this information to pay HSN a royalty percentage on all regular revolving credit sales placed on the HSN / Comenity Card and to prepare the HSN / Comenity Card statements it sends to cardholders.

- b. HSN also shares with Comenity customer information so that Comenity can offer pre-approval and pre-screened offers of credit for the HSN / Comenity Card. Comenity, in turn, informs HSN when an individual applies for an HSN / Comenity Card.
- c. Comenity also provides updated information to HSN about any changes to the status of all HSN / Comenity Card accounts.
- d. At HSN's request, Comenity shares with HSN the amount of credit currently available on any HSN customer's HSN / Comenity Card and HSN displays that information (in an amount less any FlexPay installments that HSN will charge to that card in the next 30 days) when that HSN customer is making a purchase on hsn.com.

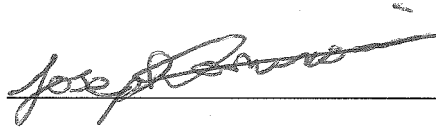
9. HSN and Comenity also share information related to the promotion of the HSN / Comenity Card. For example:

- a. HSN and Comenity maintain a joint marketing fund that is used to promote the HSN / Comenity Card.
- b. HSN and Comenity regularly hold meetings and otherwise work together to market the HSN / Comenity Card.
- c. One example of a joint marketing plan involves Comenity sharing cardholder's birthdays with HSN so that HSN can offer them special birthday discounts.

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Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury of the laws of the United States of America that the foregoing is true and correct.

Executed on this 7 day of June, 2019.

A handwritten signature in dark ink, appearing to read "Joseph Cannavina", is written over a horizontal line.

Joseph Cannavina